

Zero Based Budget Review

Executive Presentation – Findings, Recommendations & Strategic Advice

6/28/2018

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GARTNER CONSULTING

Updated following 6/20
executive presentation

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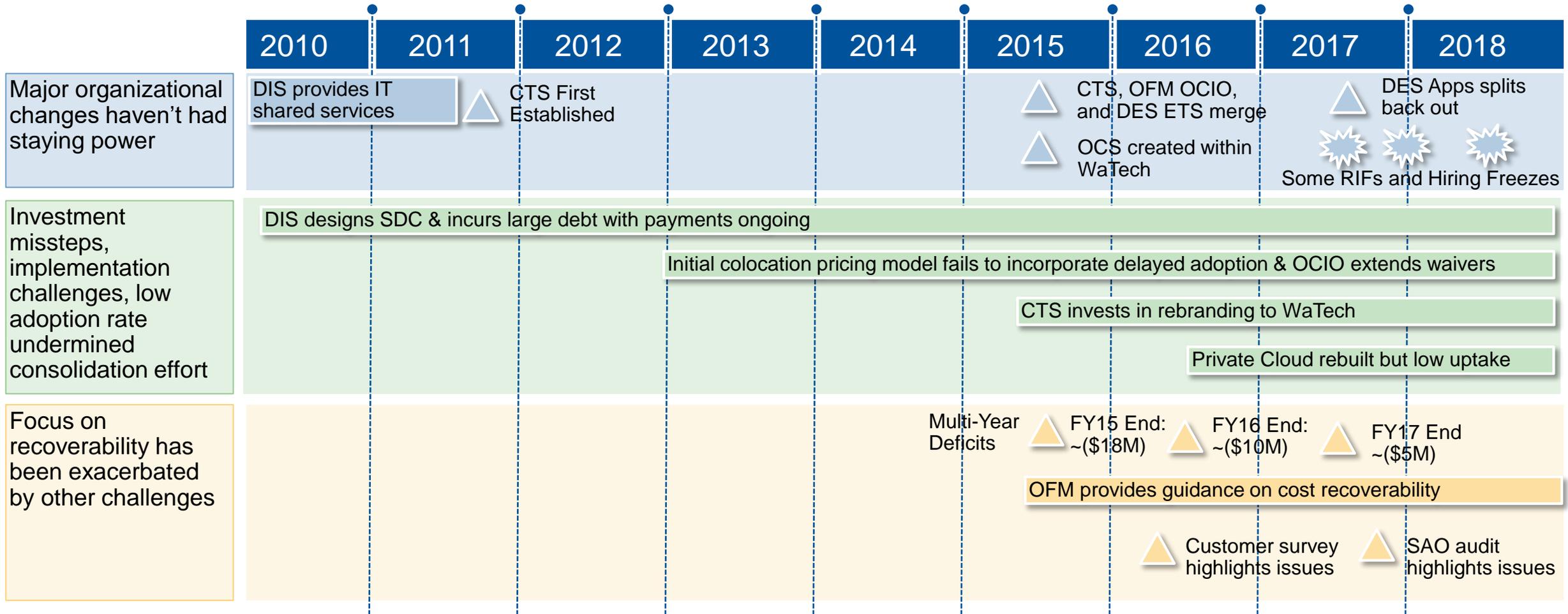
Zero Based Budget Review Final Executive Presentation

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 - Findings
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- Appendix – Service-by-Service Recommendation Summaries

Background

Timeline of past attempts to drive IT consolidation/centralization

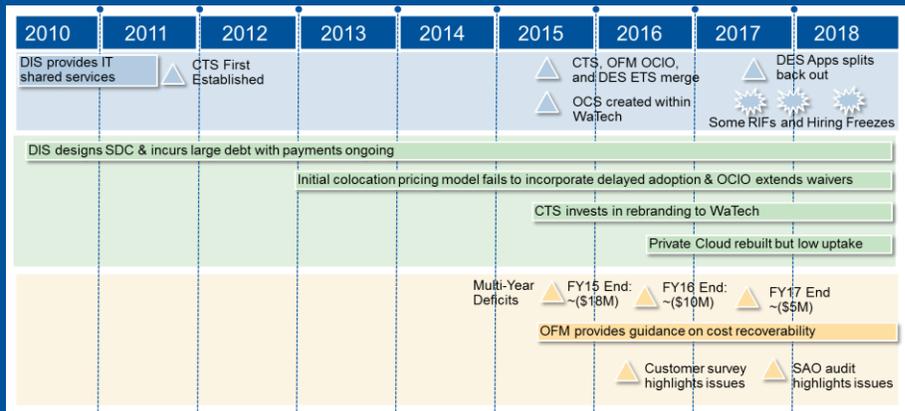
[An abbreviated timeline of WaTech history]



Background

Technology is constantly evolving, and WaTech must evolve as well

- In spite of the multi-year “get-well plan,” WaTech continues to experience service-specific losses.
- State Legislature has demanded change to address deficiencies.
- Section 150(7) within 17-19 Operating Budget requires WaTech to conduct a zero-based budget review of all services offered to customers.



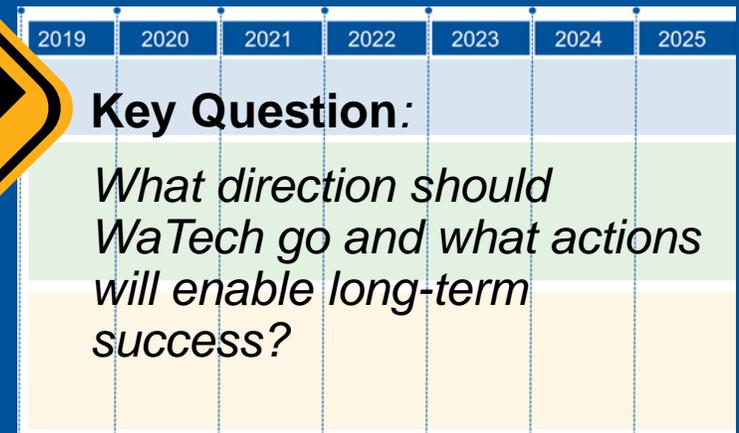
Moving Forward WaTech must:

- Reassess its portfolio of services.
- Make plans to course correct as appropriate.
- Define action plans to transition away from some services and to strengthen the remaining portfolio.



Key Question:

What direction should WaTech go and what actions will enable long-term success?



Background

WaTech engaged Gartner to help establish course correction

WaTech selected Gartner to assess the current state and make recommendations on a plan forward given positioning as an industry leader in IT research and benchmarking

1 — Discovery

Reviewed full portfolio of programs and services.



Reviewed dozens of documents and financial data reports.



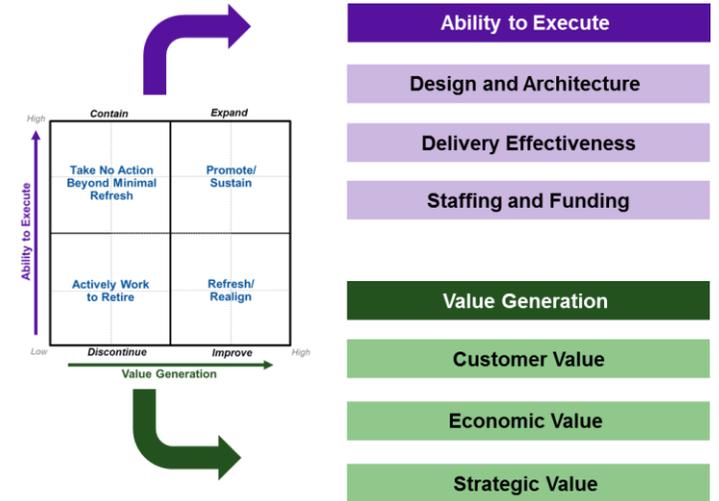
Conducted over 100 interviews/focus groups with WaTech as well as seventeen agencies.



2 — Analysis

Scored each service using six criteria to evaluate Ability to Execute and Value Generation.

Each service was then mapped to a rating: discontinue, contain, improve, expand.



3 — Recommendations

Developed unbiased third party recommendations based on provided data, as well as Gartner benchmarking data, and industry research insights.

Findings

Findings

Gartner Review of Customer/External Perspective (Key Findings)

- Generally, service quality is not meeting customer expectations or industry standards, some but not all of this is due to WaTech's choice to defer refreshes/upgrades and reduce or not replace front-line staff.
- WaTech has not modernized or consolidated many legacy services (network is an exception) or partnered effectively with agencies to develop new ones (WiFi is an exception).
- WaTech has attempted to be all things to all agencies rather than focusing a few key customers or improving the quality of critical high volume services that account for most of its revenue/value add.
- WaTech's leadership and culture are laser-targeted on cost recovery which leaves little energy for focus or concern regarding customer needs or the quality of the services being delivered.
- Washington has a loosely federated IT ecosystem where agencies control their budgets and there are few mandates for the use of centralized, shared services. WaTech should not expect this to change.
- Change is needed in WaTech leadership, service offerings and delivery quality to gain trust and credibility with state agencies who are looking at outside options for technology solutions.
- There is a broadly held customer perception that there is a conflict of interest between WaTech's policy making roles within the Office of the CIO (OCIO) and its service provider role and believe many policies are driven directly or unconsciously by WaTech financial interests.
- WaTech's actions to improve cost recovery by raising rates, changing cost recovery models or charging for previously included services (often perceived to be without adequate notice or any justification) have damaged relationships with customers.

Findings

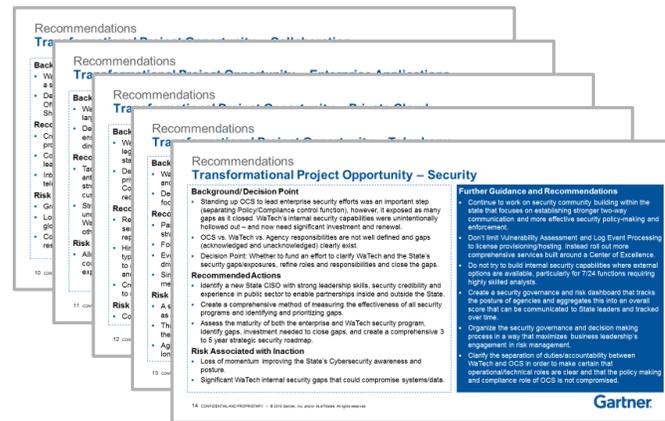
Gartner Review of Internal Perspective (Key Findings)

- WaTech as an organization lacks a clear business and organizational strategy. This has enabled different leaders and managers to pursue their own, sometimes competing agendas and objectives.
- The OCIO has not focused on defining Enterprise Architecture and providing Statewide technology leadership and guidance, effectively outsourcing this function to large agencies and technical resources within the service provider organization.
- Most individual services lack clearly defined technology/feature roadmaps that are bought into by the customers using the services. Roadmaps that do exist focus mostly on refresh and cost containment.
- Some key roles (Customer Relationship Management, Service Owners, technology leadership) are pushed too far down in the organization to be effective or too dispersed/blurred with tactical operations/delivery roles to be effective.
- Many parts of WaTech's organization are needlessly siloed based on technology, historical pre-merger groupings, random manager assignments and other factors, when they should be aligned with the services delivered.
- An inconsistent approach to performance management coupled with potential union barriers and lack of flexible contracting models make a high performance, flexible & accountable workforce difficult to achieve.
- A majority of WaTech costs are recovered through a small number of enterprise level allocations which makes it difficult to understand what services are included, for what purpose and at what service level/cost.
- WaTech has too many granular and overlapping services, with service definitions poorly documented.

Recommendations

Recommendations Overview

Recommendations are divided into two parts: 1) Service-Specific Recommendations, and 2) Enabling Recommendations



Summary of Key Transformational Opportunities

Service Recommendation Details
Service-by-Service Rating Overview (Review of Services as Currently Delivered)

Service-by-service recommendation summaries are provided on the following pages.

IT Programs	Applications	Security & Identity	Workspace	Platforms	Network & Telephony
<ul style="list-style-type: none"> Integrated Governance Open Data OCIS Policy & EA OCIS Oversight OCIS Program OCIS Project Portal & Inquiry (WaTech) 	<ul style="list-style-type: none"> Web Platform/Design ERP - Finance ERP - Budget ERP - HR/ payroll ERP - Enterprise Reporting 	<ul style="list-style-type: none"> Active Directory/AD Secure FTP Security Leadership & Dev Security Design Review CSST Assessments SOX/Control Responses Vulnerability Assessment SEM (LAMP) Security Gateways Certification Authority SIEM/SIEM Security Education/Business Training 	<ul style="list-style-type: none"> VMware vSphere/Cloud Teleconferencing Mobile Device Mgmt Desktop/LAN 	<ul style="list-style-type: none"> Private Cloud Microsoft Email Host 	<ul style="list-style-type: none"> Network - Core/ Transport/Firewall PROXIMUS ORANGE SSL VPN (Remote Access) Cloud and Office VPN
<ul style="list-style-type: none"> Video Production Services Journal 	<ul style="list-style-type: none"> Customer's App Support (BPM Enterprise) CRM SPaaS (Serviceflow, Dev) HR & Accessibility Library Lab Access Washington INDEXX Project Management Agile Business Analytics 	<ul style="list-style-type: none"> Security Education/Business Training 	<ul style="list-style-type: none"> Directory Assistance (Citizens) Mailboxes 	<ul style="list-style-type: none"> Switched Long Distance 	<ul style="list-style-type: none"> Context Data Edge

*Transition out of the services currently delivered. Some services retired but internal delivery capability remains (e.g., Project Management), some services no longer offered with full responsibility transitioning to agencies (e.g., INDEXX), and a few services being discontinued and a new service created with a more minimal role for WaTech (e.g., Shared Email and Skips)

Gartner

Service-by-Service Recommendations (Provided in Appendix)

1. Service-Specific Recommendations:

- This section includes a summary of key transformational investment opportunities and associated considerations for discontinuing related legacy services where relevant.
- A summary of each service recommendation is provided in the Appendix.



Enabling Recommendation Categories

2. Enabling Recommendations:

- WaTech is unlikely to be successful by simply making changes to the existing portfolio of services without addressing capability gaps.
- These recommendations are organized by key capabilities that WaTech will need to mature.

Recommendations

Transformational Project Opportunity – Collaboration

Background/ Decision Point

- WaTech is currently pursuing an effectively unfunded migration to Office 365 with a selected architecture that is a major point of customer contention.
- Decision Point: Whether to formally invest in a statewide project to migrate to Office 365, and discontinue premise-based services (Skype, Shared Email, SharePoint) and the O365 Activation service as it is currently provided.

Recommended Actions

- Create a customer driven, WaTech led and centrally funded Office 365 migration project.
- Consolidate Office 365 related WaTech sub-groups under focused common leadership.
- Integrate with a comprehensive UCC strategy, including Audio/Web conferencing, telephony and collaboration services.

Risk Associated with Inaction

- Greater likelihood of project failure or delay, given staffing and funding challenges.
- Lower probability of resolving architectural issues related to active directory and global address replication, and vault storage replacement.
- Continued source of friction between WaTech and agency technical resources resulting in uncoordinated agency migrations.

Further Guidance and Recommendations

- WaTech has a key role to play in migration to O365 but its future service provider role will be limited as the hosted services are retired.
- WaTech should prioritize the development of replacement/upgrade strategy for vault storage to avoid functional degradation after the move to O365.
- Following through on architecture assessment to validate the ability to support a multi-tenant architecture will help reestablish customer confidence in WaTech.
- Successful discontinuance of legacy solutions will be dependent on dedicating investment dollars on focused customer migration teams.

Recommendations

Transformational Project Opportunity – Enterprise Applications

Background/ Decision Point

- WaTech is currently providing enterprise support for legacy applications that will largely be replaced by the One Washington ERP transformation program.
- Decision Point: Whether to realign the Enterprise Application support team to ensure smooth operations until One Washington project is completed while also directly supporting the One Washington program.

Recommended Actions

- Tactical Next Steps: Minimize further customization and further investment in anticipation of One Washington. Assess opportunity to realign resources under streamlined management structure in order to better align with customer objectives.
- Strategic Next Steps: Merge this application development and support team under One Washington. Ultimately this could be a future investment area for WaTech (if One Washington were to come under WaTech as a critical service) otherwise WaTech should look to transfer the service to OFM to manage.

Risk Associated with Inaction

- Allowing organizational boundaries to inhibit effective collaboration with OFM could create an unhealthy overdependence on the Strategic Partner vendor for expertise and execution capability.

Further Guidance and Recommendations

- Stay in close coordination with One Washington as the legacy application hosting service provider to understand future impacts to hosting service cost/revenue (e.g., future fit gap of functional requirements will clarify the functionality that will remain, project planning will clarify timelines for replacement, etc.).
- WaTech should consolidate all of the enterprise application support functions (including systems analysts, reporting, BAs) and move them organizationally to OFM, where they could be aligned with the One Washington transformation program.
- The readiness of OFM and/or One Washington to absorb and support the enterprise applications functions should be assessed. It is likely that some level of additional IT leadership and support will be required within OFM to enable success.
- Responsibility for providing technical infrastructure (mainframe, hosting), operations and related support services should remain with WaTech.

Recommendations

Transformational Project Opportunity – Private Cloud

Background/ Decision Point

- WaTech recently implemented a new private cloud offering intended to replace legacy compute services. Performance and reliability issues early in the rollout stalled adoption, and ongoing support of other environments limits staff/resources.
- Decision Point: Whether to formally invest in expanded features/ more robust private cloud offering, and discontinue point solutions (Data Mgmt, Platform & Connectivity, Managed Server, Storage, Backup) as individual services – i.e., reconsider service as an expanded offering more in line with industry.

Recommended Actions

- Re-envision a more holistic service that's inclusive of all customer needs (e.g., security, DR, network, backup, archiving, database/SQL, monitoring/performance reporting).
- Hire a cloud architect and evaluate re-platforming the private cloud onto some type of appliance-based hyper-converged infrastructure (i.e., evaluate transitioning to a simplified architecture that would reduce time required to test, troubleshoot and optimize compared to the reference architecture approach).
- Create a private cloud team that includes all of the disciplines and skills necessary to create the holistic service envisioned above.

Risk Associated with Inaction

- Continued overspending to support a multitude of similar disconnected offerings.

Further Guidance and Recommendations

- Given positioning as an optional service, and late market introduction, WaTech may not be able to drive the kind of volume needed to prove the solution is cheaper/better than agency solutions, and may struggle to achieve significant agency adoption.
- A critical success factor will be to avoid overinvestment in new feature rollouts, and keeping close coordination with customers to ensure any investments are in line with expressed needs.
- Successful discontinuance of legacy solutions will be dependent on dedicating staff/funding to focused customer migration teams, and in purchasing additional capacity in the Private Cloud in advance of when major workloads are slated to migrate.
- Once legacy services are discontinued, a combined and streamlined multi-disciplinary team should be able to manage the equivalent workload that was previously managed by three teams.

Recommendations

Transformational Project Opportunity – Telephony

Background/ Decision Point

- WaTech is currently pursuing TDM to VoIP migration as resources are available and as customers are interested (long planning horizon/phased approach).
- Decision Point: Whether to invest in developing and implementing a more focused, comprehensive and rapid statewide VoIP implementation migration.

Recommended Actions

- Partner with key customers to develop a statewide IP Telephony Transformation strategy and obtain buy-in and funding from state leadership.
- Focus on UCC/contact center enablement and cost reduction.
- Even without a statewide investment, WaTech still needs to establish a customer-driven strategy for moving forward with VoIP implementations.
- Simplify rate model and get down to a per phone per month charge (possibly metro versus non-metro rates).

Risk Associated with Inaction

- A statewide strategy is needed to avoid spending millions in redundant technology as agencies implement their own solutions.
- The longer the timeline for conversion the greater the probability of losing part of the customer base to alternative providers/solutions making cost recovery difficult.
- Aging equipment will lead to higher maintenance cost/increasing failures with a longer phased transformation.

Further Guidance and Recommendations

- Architectural assessment and strategy development is a critical first step.
- Comprehensive statewide plan should clearly delineate responsibility for obtaining funding.
- Replacement of building wiring (where needed) may represent millions of dollars in investment decisions – may be best to leave responsibility with specific agencies to reduce risk to a statewide project.
- VoIP phone replacement is a major expense associated with conversion. This is best negotiated centrally/collectively for volume-based pricing.

Recommendations

Transformational Project Opportunity – Security

Background/ Decision Point

- Standing up OCS to lead enterprise security efforts was an important step (separating Policy/Compliance control function), however, it exposed as many gaps as it closed. Funding and resources for WaTech’s internal security team were unintentionally shifted to the Office of Cybersecurity and need to be resourced to meet customer needs.
- OCS vs. WaTech vs. Agency responsibilities are not well defined and gaps (acknowledged and unacknowledged) clearly exist.
- Decision Point: Whether to fund an effort to clarify WaTech and the State’s security gaps/exposures, refine roles and responsibilities and close the gaps.

Recommended Actions

- Identify a new State CISO with strong leadership skills, security credibility and experience in public sector to enable partnerships inside and outside the State.
- Create a comprehensive method of measuring the effectiveness of all security programs and identifying and prioritizing gaps.
- Assess the maturity of both the enterprise and WaTech security program, identify gaps, investment needed to close gaps, and create a comprehensive 3 to 5 year strategic security roadmap.

Risk Associated with Inaction

- Loss of momentum improving the State’s Cybersecurity awareness and posture.
- Significant WaTech internal security gaps that could compromise systems/data.

Further Guidance and Recommendations

- Continue to work on security community building within the state that focuses on establishing stronger two-way communication and more effective security policy-making and enforcement.
- Don’t limit Vulnerability Assessment and Log Event Processing to license provisioning/hosting. Instead roll out more comprehensive services built around a Center of Excellence.
- Do not try to build internal security capabilities where external options are available, particularly for 7/24 functions requiring highly skilled analysts.
- Create a security governance and risk dashboard that tracks the posture of agencies and aggregates this into an overall score that can be communicated to State leaders and tracked over time.
- Organize the security governance and decision making process in a way that maximizes business leadership’s engagement in risk management.
- Clarify the separation of duties/accountability between WaTech and OCS in order to make certain that operational/technical roles are clear and that the policy making and compliance role of OCS is not compromised.

Recommendations

WaTech cannot be a competitive service provider without maturing key enabling capabilities



Service
Management



Workforce
Management/
Org Structure



Financial
Management/
Procurement



Leadership/
Culture/
Governance

WaTech has been through multiple organizational changes and transformation efforts – but has yet to find lasting success.

WaTech must advance several key enabling capabilities in order to achieve desired results from transformational change.

Recommendations

WaTech cannot be a competitive service provider without maturing key enabling capabilities – Service Management



Service Management

- Replace the existing service catalog with one which describes services in detail (features, service levels, performance metrics and customer vs. Watech responsibilities). This should be a living document which evolves with the services.
- Establish a clear separation between service owner and technical engineering/operational roles. Align service owner role with revitalized customer relationship management and technology architecture functions.
- Establish clear, forward looking, lifecycle oriented product roadmaps/funding models
- Consolidate services around clear customer acknowledged value propositions. Transition away from services that are siloed by technology, product, historical factors/workgroups and other irrelevant factors.
- Mature IT Service Management processes (focusing first on – request, incident, change, problem, and service performance management).
- Establish a continual service improvement culture driven initially by simple metrics.
- Align IT Service Management tools to processes and measurement/reporting needs.
- Automate technical service delivery where feasible.

Recommendations

WaTech cannot be a competitive service provider without maturing key enabling capabilities – Workforce Management/ Org Structure



Workforce Management/ Org Structure

- Consolidate and simplify the organizational structure so that it's better aligned to the services delivered and enables multidisciplinary teaming.
- Create a more flexible workforce model to the extent feasible by removing contractual and procurement barriers to engaging contract resources when required. Negotiate with the unions to identify ways to enable the transformational change that needs to occur.
- Accelerate overhaul and realignment of employee performance management (rationalizing position descriptions, completing a baseline skills assessment, standardizing/maturing performance management processes, identifying critical staff for retention, as well as staff who require coaching or other action).
- Assess the readiness of the staff for the planned changes and create an empowered organizational change management team that is focused specifically on enabling the transformation by continually engaging and informing the team in the process.

Recommendations

WaTech cannot be a competitive service provider without maturing key enabling capabilities – Financial Management/ Procurement



Financial Management/ Procurement

- Improve baseline financial management capabilities and focus them on enabling service management and meeting customer needs (improving transparency/fairness) rather than focusing on reducing administrative burden through over simplification.
- Target the “right number” of allocations/cost codes that effectively enables appropriate chargeback, internal accountability and effective portfolio planning.
- Overhaul the chart of accounts to align with the “to be” service portfolio/catalog.
- Mature budgeting, cost modeling and estimation practices, eliminate siloed and error-prone manual processes wherever feasible.
- Formalize demand management and align it with customer budget projections to reduce the risk of overinvestment when budgeting for future needs (align supply).
- Overhaul time tracking practices by realigning them to the updated chart of accounts, ensuring consistency, and expanding them more broadly in the organization.
- Simplify technology procurement (use of MSA and common procurement vehicles).
- Expand WaTech authority to negotiate/procure on behalf of agencies in key focus areas (e.g., network, security).

Recommendations

WaTech cannot be a competitive service provider without maturing key enabling capabilities – Leadership/ Culture/ Governance



Leadership/ Culture/ Governance

- Establish an empowered leadership team that can refocus the organization on customer needs while still ensuring recoverability (the “basic table stakes” that maturation of financial management capabilities will help to address).
- Establish customer relationship management, service ownership and technology architecture as top level functions within the organization (e.g., Chief Technology Officer/Chief Customer Officer).
- Establish a transparency-oriented culture (both internally and with customers) that is rooted in doing the right things for the right customers for the right reasons at the right times. Reward those who exhibit these behaviors.
- Ensure that new leaders have the right combination of government, technology and operational skills to have clear credibility with both staff and customers.

Strategic Advice

Strategic Advice

Washington is at a crossroads with consolidated IT

- Taking on multiple large scale projects/ transformations at the same time is risky.
- State stakeholders must determine the risk appetite/willingness to invest further when ROI is ultimately dependent on broad agency adoption.
- Should WaTech only provide critical centralized services, or play a bigger role in supporting the “smalls”, or an even bigger and more strategic role with app dev and cloud enablement.

Gartner Recommendation

Greater transformation requires taking on greater risk

1. Slim Down & Focus

- Separate control and service provider functions.
- Focus primarily on the foundational services (network, colocation, security and identity).
- Divest enterprise apps and desktop support functions.
- Divest infrastructure hosting lines of business except for use as an internal WaTech delivery enabler.

2. Improve

- First two bullets from #1.
- Build a more comprehensive Private Cloud for “Mediums/Smalls.”
- Retain desktop support and expand advisory functions for smalls.
- Retain enterprise applications while improving OFM focus and One Washington Alignment.
- Partner with Agencies to better support public cloud migration.

3. Transform

- First 2 bullets from #2.
- Make Enterprise Applications a core part of WaTech’s scope (bring One Washington under CIO control).
- Build out a comprehensive web application/ mobile development capability.
- Build out comprehensive cloud brokering capability (IaaS/PaaS/SaaS).

Strategic Advice

No matter the level of transformational change selected, it's important to consider the broader political environment to address key risk factors

- Combining the State CIO and WaTech Director roles compromises the effectiveness of both roles and complicates WaTech's ability to regain customer trust and successfully transform itself.
 - The State should consider moving back toward a model with clear separation of duties, accountability, staff and funding.
 - There are many ways to accomplish this (e.g., could include both positions appointed with separated reporting structure or in-line reporting structure). Separate organizations would be ideal.
- Executing this transformation would be difficult, if not impossible, for WaTech to do on its own. Independent transformation governance / agency buy-in and active participation is key.
 - Establish an independent body (Program Office/Board) to control the transformation – internal organizational governance will not be enough – and must be independent of WaTech.
 - Provide control of proviso spending authority to the independent body and engage external party with industry perspective/objectivity to develop transformation strategy and oversee its execution.
 - Ensure there is strong executive sponsorship out of OFM/ Governor's Office.

Strategic Advice

To successfully transform, prioritize investments that enable WaTech to improve its focus on its foundational services

- Providing support for the legacy enterprise and OFM applications provides no clear benefit to either WaTech or OFM and has become a pain-point as WaTech has lost customer focus and OFM must execute One Washington without the direct support of these resources.
 - WaTech should consolidate all of the enterprise application support functions (including systems analysts, reporting, BAs) and move them organizationally to OFM, where they should be aligned with the One Washington transformation program.
 - Responsibility to provide technical infrastructure (mainframe, hosting), operations and related support services should remain with WaTech.
- WaTech's capitol complex desktop and IT workspace services have not met basic expectations for many years. With DES's desire to bring their environment in-house, this is now essentially a dedicated service for OFM that lacks economies of scale and requires downsizing / transformation.
 - The State should reevaluate the business case for WaTech to provide this service and consider tasking OFM with supporting itself and the Governor's office. A solution for a handful of small agencies may also be needed.

Strategic Advice

Some transformation investments may be warranted. However, they must be carefully planned and externally governed.

- Cybersecurity will be increasingly important – and expensive – as agencies become more networked and move services to the cloud. While standing up OCS was an important step (establishing statewide policy/compliance as a separate group), it exposed more problems than it solved.
 - Funding and resources for WaTech’s internal security team were unintentionally shifted to the Office of Cybersecurity and need to be resourced to meet customer needs.
 - The State lacks an overall Cybersecurity strategy and capability framework that clearly defines Agency vs. OCS vs. WaTech roles – or an effective method of measuring maturity and effectiveness.
- While the agencies appear to have made a strategic decision to move email and other key WaTech services to Microsoft’s Office 365 cloud offering, no formal enterprise migration project has been chartered or funded.
 - The State should task WaTech with developing a migration plan and executing it on behalf of its customers. WaTech should not be expected to fund this migration out of its current services and rates.
 - The migration plan and funding should be overseen by the independent body (PMO / Board).

Strategic Advice

Some transformation investments may be warranted. However, they must be carefully planned and externally governed.

- WaTech has been trying to incrementally rollout more modern IP-based telephony and contact center capabilities. Without centralized funding this could take a decade to complete and some customers may not be willing to wait for it to happen.
 - The State should consider funding a Customer-driven, WaTech led enterprise telephony transformation project which is clearly focused on modernization and cost reduction.
 - The migration plan and funding should be overseen by an independent body (PMO / Board).

- WaTech's hosting services (specifically the Private Cloud) requires transformation and investment to remain viable, however any investment must be calibrated against the fact that many Agencies have already created their own "cloud" and convincing others to use WaTech will be a hard sell.
 - WaTech should focus investments and transformation activities on improvements necessary to support WaTech driven workloads, reduce costs and improve customer service through automation.
 - Any transformation funding should be overseen by the independent body (PMO / Board) and should avoid purchases of capacity or features that are not immediately needed.

Appendix

Service-by-Service Recommendation Summaries

Service-by-Service Rating Overview (Review of Services as Currently Delivered)

Summary level details for each service recommendation is provided on the following pages.

Key	Definition	Ability to Execute	Value Generation
Expand	Promote and Sustain	High	High
Improve	Realign and Refresh	Low	High
Contain	Limited Action Beyond Minimal Refresh	High	Low
Discontinue*	Actively Work to Retire or Transition	Low	Low

	IT Programs	Applications	Security & Identity	Workspace	Platform	Network & Telephony
Expand	<ul style="list-style-type: none"> Geospatial Governance Open Data 	<ul style="list-style-type: none"> Web Platform/Design 	<ul style="list-style-type: none"> Active Directory/IAM Secure FTP 	<ul style="list-style-type: none"> WebEx Video Conferencing Wireless (WiFi) 	<ul style="list-style-type: none"> SDC/QDC Colocation 	<ul style="list-style-type: none"> Network – Core/ Transport/ Firewall
Improve	<ul style="list-style-type: none"> OCIO Policy & EA OCIO Oversight TBM Program Geospatial Portal & Imagery WAMAS 	<ul style="list-style-type: none"> ESF – Finance ESF – Budget ESF – HR/Payroll ESF – Enterprise Reporting 	<ul style="list-style-type: none"> Security Leadership in Gov Security Design Review CERT Assessments SOC/Incident Response Vulnerability Assessment SIEM (L&M) Security Gateway/F5 Certification Authority SAW/SEAP 	<ul style="list-style-type: none"> Teleconferencing Mobile Device Mgmt Desktop/LAN 	<ul style="list-style-type: none"> Private Cloud Waserv/ Email Vault 	<ul style="list-style-type: none"> PBX/IVR/VoIP DNS/DHCP SSL VPN (Remote Access) Cloud and Office VPN
Contain		<ul style="list-style-type: none"> Governor’s App Support (OFM Enterprise) E-Time 	<ul style="list-style-type: none"> Security Education/Awareness Training 	<ul style="list-style-type: none"> Directory Assistance (citizens) 	<ul style="list-style-type: none"> Mainframe 	<ul style="list-style-type: none"> Switched Long Distance
Discontinue*	<ul style="list-style-type: none"> Video Production Services OneNet 	<ul style="list-style-type: none"> BPaaS (ServiceNow Dev) UX & Accessibility Usability Lab Access Washington JINDEX Project Management Agile Business Analysts 		<ul style="list-style-type: none"> Office 365 Activation Skype Shared Email Enterprise SharePoint 	<ul style="list-style-type: none"> Managed Server Hosting (Legacy) Platform & Connectivity DB Management Services Server Support Services Storage Backup 	<ul style="list-style-type: none"> Centrex Citrix Edge

27 *The discontinued category includes some services where Gartner recommends shifting the resources, e.g., discontinuing external delivery of Project Management as a Service and refocusing effort as an internal delivery capability, transitioning resources and responsibilities for JINDEX and OneNet to other agencies that support the primary business capabilities, etc. Summary details for each service are provided on the following pages.



Service-by-Service Recommendation Summaries IT Programs (1 of 2)



Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Open Data	Expand	Open data is a high value government initiative that is in line with WaTech’s legislative charter. WaTech’s OCIO Privacy Office should continue to expand agency participation in this critical initiative that enhances open government and accountability.
Geospatial Governance	Expand	Geospatial data is an enabler of open government and the OCIO plays an important role in enabling statewide geospatial governance. The OCIO should continue to lead a group of committed agencies and reach out to additional agencies to expand agency interest in participating in statewide GIS governance and programs.
Geospatial Portal & Imagery	Improve	Widespread adoption of the shared Geospatial Portal improves the value to all participants and to the State. Recommendation is to complete the migration to the cloud to stabilize the performance of this service (current expected completion of migration to Private Cloud slated for August 2018).
Washington Master Addressing Services (WAMAS)	Improve	Widespread adoption of WAMAS improves the value to all participants and to the State. Recommendation is to complete the migration to the cloud to stabilize the performance of this service (current expected completion of migration to Private Cloud slated for August 2018).
OCIO Policy & Enterprise Architecture (EA)	Improve	Policy development and forward looking enterprise architecture development are critical central functions that OCIO must continue to provide. However, OCIO needs to simplify the policymaking process and improve transparency, increase opportunities for agencies to weigh in and gain buy-in, without paralyzing the process. OCIO needs to invest additional resources and staff in Enterprise Architecture development and statewide IT strategy development as the capability is currently limited with only a couple staff executing these functions.
OCIO Oversight	Improve	OCIO enterprise-level oversight of major projects is a strategic offering. The OCIO needs to increase staffing levels and expand skillsets in order to provide valuable oversight beyond a basic “check the box” effort. Given current workload and staffing, OCIO is only able to support each project on average a couple hours a week. Additionally, OCIO should work with customers to refine the methodology and processes used for project oversight initiatives, and consider establishing an independent oversight budget as a percentage of project cost.

Service-by-Service Recommendation Summaries IT Programs (2 of 2)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Technology Business Management (TBM) Program	Improve	The business value of the TBM information to the ultimate consumers of the information (legislature, OFM, open government advocates) is unclear. The TBM program provides OFM and Legislative Staff with an additional lens through which to compare IT spending across agencies. It does not appear that the original vision of making direct comparisons and benchmarking – internally and externally has been achieved. The TBM program currently consumes at least \$1.2M in good/services and labor costs per year, and when agency compliance costs are factored in the actual cost may be three to four times this cost. A deeper dive assessment that calculates return on investment would help illuminate value and appropriateness of continuing to fund the next phase of the TBM roadmap.
OneNet	Discontinue	Service is dedicated to one agency (does not align with shared delivery model). Recommendation is to work with Washington Military Department to transition service with minimal impact. Smooth transition will require negotiation with the Washington Military Department on timing and terms of handoff (e.g., assignment of resources, sourcing efforts, etc.).
Video Production Services	Discontinue	Service is non-strategic (does not align with shared delivery model and legislative charter) and is difficult to consistently recover (dependent on a single resource, short-term consulting work). Recommendation is to find a new home for the service (outside of WaTech) or shut it down. WaTech is under contract to begin a large project and may want to complete that project while looking for a better aligned government organization to take over this service, and/or to allow sufficient lead time for service discontinuance to minimize impact to agencies.

Service-by-Service Recommendation Summaries Applications (1 of 3)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Web Platform/ Design	Expand	Typical shared service with economies of scale gained from website template development and management, and by incorporating both implementation and support into a common service. In order to accommodate expansion, WaTech should look to create flexible staffing agreements to augment staff when required. WaTech should also consider incorporating elements of the User Experience (UX) design and accessibility support services as a value-added feature of this service (while being cautious not to burden ongoing support rates in order to add new features).
ESF – Finance, Budget, HR/Payroll, Reporting	Improve	Legacy application development and support team should be merged with One Washington. Ultimately this could be a future investment area for WaTech (if One Washington were to come under WaTech) otherwise WaTech should look to discontinue the service by hiving it off and transitioning it to OFM to manage. At a minimum, WaTech should improve the service by realigning resources under streamlined management structure in order to better align with customer objectives.
Governor’s App Support (OFM Enterprise)	Contain	This is a dedicated service that WaTech provides due to the fact that WaTech is currently acting as the Governor's Office IT group. This Service Level Agreement (SLA)-based service historically included website support but that was recently standardized under the Web Platform service leaving only the support of a handful of largely commercial off-the-shelf (COTS) applications. WaTech should minimize investment in this service and continue executing as agreed under the terms of the SLA, or consider transitioning this service to OFM along with the ESF applications.
E-Time	Contain	WaTech’s support of this service is limited to brokering licenses and vendor management for a Software as a Service (SaaS) time & attendance application used by two agencies. WaTech should continue supporting roll out of the current project and revisit at a latter time to assess alignment with One Washington and potential opportunity for expansion.
JINDEX	Discontinue	Service is dedicated to a handful of agencies (does not align with shared delivery model). Recommendation is to work with customers to identify appropriate service owner (likely Washington State Patrol) to transition service with minimal impact. Smooth transition will require negotiation with the customer agencies on timing and terms of management responsibility handoff (e.g., assignment of resources, sourcing efforts, etc.).

Service-by-Service Recommendation Summaries Applications (2 of 3)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Access Washington	Discontinue	WaTech should not make additional investments in this service based on lack of business sponsorship and funding. The Governor’s office needs to make the decision on whether to fund it or to shut it down/replace it with some type of landing page, or point the URL “www.wa.gov” at another State website.
BPaaS (ServiceNow Development)	Discontinue	Service is non-strategic (not aligned to legislative charter and does not seem to have buy in or general agreement from agencies that this should be a priority) and it would be difficult to effectively scale and manage a portfolio of small one-off unintegrated applications given available staffing and funding. Recommendation is to plan shut down of service and work with the one existing customer (OFM HR) to develop a plan to transition responsibility for maintaining the one customer application currently supported.
User Experience (UX) & Accessibility	Discontinue	WaTech has a small portfolio of successful UX and Accessibility projects but workload is episodic and the parameters of the “consulting practice” are not well defined (e.g., goals for billability, lead development, resourcing strategy, etc.). WaTech should consider incorporating elements of the UX design and accessibility support services as a value-added feature of the Web Platform/ Design service (while being cautious not to burden ongoing support rates in order to add new features). WaTech should look to transition away from providing this as a stand-alone service. Agencies will be able to contract for third party support in line with rates currently paid to WaTech and transition risks are minimal given low service adoption.
Usability Lab	Discontinue	Service is included in an allocation making it “free” for agencies paying for the Enterprise Systems Fee but historical usage is only 30%. In general, there are a limited number of agencies performing high volume custom development work which would call for high-end usability testing. WaTech should repurpose the physical space and discontinue the service.

Service-by-Service Recommendation Summaries Applications (3 of 3)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Project Management	Discontinue	Project Management (PM) as a Service is a non-strategic service for WaTech to deliver. It's a commodity service that's widely available from third parties, and WaTech does not have a well established "consulting practice" to ensure alignment of supply and demand of PM as a professional services offering. WaTech should stop selling PM services as a service and embed costs as a part of ongoing WaTech operations (eliminate disincentive to leverage project managers in key operational projects, but still track billed time for showback purposes, and discontinue efforts to sell PM services to other agencies). WaTech needs to establish Project Management Office (PMO) governance for ongoing needs evaluation and prioritization, to ensure appropriate pipeline management and rightsizing of staff to meet requirements. WaTech should also establish flexible contracts to utilize third party project managers to meet short-term demand as needed. WaTech only has one external customer today and should complete the terms of the existing agreement to eliminate transition impact, but WaTech should immediately discontinue marketing this service externally.
Agile Business Analysts	Discontinue	Service is dependent on episodic capacity (i.e., "spare time") from staff who are committed to supporting enterprise systems on a full-time basis. Staff are fully funded to support OFM applications necessitating system for reimbursing the Enterprise Systems Fee for time spent. WaTech should discontinue this as a stand-alone service and refocus on the enterprise application portfolios where there may be an opportunity to improve delivery effectiveness. Resources should be realigned to best meet the needs of the enterprise application business owners (realigned to focus only on Enterprise Systems). Given service is still in the experimental stage (2-3 projects), transition impacts will be limited.

Service-by-Service Recommendation Summaries

Security & Identity (1 of 4)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Active Directory (AD)/ Identity and Access Management (IAM)	Expand	Agencies are mandated to use this service given strategic value to the state. WaTech should continue to evaluate and identify initiatives to clean up the existing premise-based AD in preparation for cloud-based initiatives. WaTech should formalize a customer driven, WaTech led and centrally funded Office 365 migration project, which includes developing the state strategy for synchronizing existing on premise AD with Azure Active Directory. Consolidate Office 365 related WaTech subgroups under focused common leadership.
Secure File Transfer Protocol (SFTP)	Expand	SFTP is embedded deeply in many customer data sharing jobs and workflow. Consequently, replacing SFTP with any alternative file transfer solution would be a long, large, complex undertaking requiring significant coordination with many agencies. While One Washington will ultimately replace many of the legacy mainframe applications that this service primarily supports and WaTech will need to plan to accommodate a more modern approach to integration that will be driven by that project, WaTech will still need to support this service for many more years (at least 5 to 10 more years). WaTech should sustain the existing solution at the current delivery levels and expand to accommodate natural growth as customer integration needs require.
Security Leadership in Government	Improve	Providing centralized leadership for cybersecurity across the state is seen by customer agencies as a key strategic capability. The State's first State Chief Information Security Officer (CISO) recently retired so it will be important for WaTech to identify a new CISO with strong leadership skills and experience in public sector to continue Washington's leadership with partners inside and outside the state. Going forward OCS's largest opportunity for enhancing it's leadership position will be within governance, risk and compliance activities. OCS should look to create a security governance and risk dashboard that tracks the posture of agencies and aggregates this into an overall score that can be communicated to State leaders and tracked over time, and should also organize the security governance and decision making process in a way that maximizes business leadership's engagement in risk management, and continue to work on security community building within the state that focuses on establishing stronger two-way communication and more effective security policy-making and enforcement.

Service-by-Service Recommendation Summaries

Security & Identity (2 of 4)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Security Design Review	Improve	Service has been mandated by the state as an essential service given that it helps to standardize risk management across the state agencies and minimize the State’s exposure to risk. However, the backlog of design reviews introduces additional risk to the State by causing project delays. OCS should develop process improvements to ensure consistency and expediency (e.g., additional review tiers, provide additional support materials to customers like checklists and process directions and advice), establish prioritization of reviews and define SLAs for time to respond. Another approach could include reducing workload on experts by breaking down the process to identify additional pieces that can be completed by customers or junior staff.
SOC/ Incident Response	Improve	Standing up OCS to lead enterprise security efforts was an important step (separating Policy/Compliance control function), however, it exposed as many gaps as it closed. Funding and resources for WaTech’s internal security team were unintentionally shifted to the Office of Cybersecurity and need to be resourced to meet customer needs. Roles and responsibilities for OCS, WaTech and agencies as it pertains to Security Operations statewide (including monitoring, notification, threat detection and analysis, change management and control, Host-based IDS/IPS and ongoing vulnerability management, etc.) are not well defined and gaps (acknowledged and unacknowledged) clearly exist, and the lack of clarity is further complicated by increasing use of the public cloud. The current model and operations of OCS SOC should be reevaluated to better address the needs of WaTech and other agencies to enable the most effective statewide security posture. WaTech should clarify the separation of duties/accountability between WaTech and OCS in order to make certain that operational/technical roles are clear and that the policy making and compliance role of OCS is not compromised. WaTech should assess the maturity of both the enterprise and WaTech security program, identify gaps, investment needed to close gaps, and create a comprehensive 3 to 5 year strategic security roadmap.
CERT Assessments	Improve	The CERT Assessment provides OCS with insight into agencies’ security postures and is an opportunity for OCS to better understand security gaps at agencies. However, the current CERT Assessment team is heavily backlogged (they are only able to take on agencies of a certain size with a wait time over six months and no circling back for compliance checks). OCS should create a more comprehensive method of measuring the effectiveness of all security programs and identifying and prioritizing gaps.

Service-by-Service Recommendation Summaries

Security & Identity (4 of 4)

IT Programs	Applications	Workspaces	Networks	Network & Telephony
<ul style="list-style-type: none"> • Desktop Governance • Open Data • COOP Policy & EA • COOP Oversight • TSM Program • Compliance Portal & (Project) 	<ul style="list-style-type: none"> • Web Platform Design • ESF - Finance • ESF - Budget • ESF - HR/Payroll • ESF - Operations Reporting • Government App Support (GPA Enterprise) • ESF - Finance • HR & Accessibility • Identity Mgt • Access Management • PREDIX • Project Management • High Business Analysts 	<ul style="list-style-type: none"> • Active Directory/AD • Secure FTP • Security Awareness in Gov • Security Design Review • CDT Assessments • SOC/Incident Response • Vulnerability Assessment • SOX (LMS) • Security Gateway/PS • Certificate Authority • Security Operations/Response Team 	<ul style="list-style-type: none"> • SOX/QSO Compliance • Security Operations • Private Cloud • VMware vRealize 	<ul style="list-style-type: none"> • Network - Core • Transport Firewall • HR/HRIS/HRP • ONS/ERP • SSL VPN (Remote Access) • Cloud and Office VPN

Service/Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Secure Access Washington (SAW)/SEAP	Improve	If the state chooses to mandate a single citizen identity solution through a centralized application such as SAW, there needs to be more flexibility with the customer login interface. Beyond the standard interface (SAW) should also enable greater implementation flexibility via APIs. WaTech should assess the long-term viability of the SAW solution and determine whether it makes sense to keep investing in the current platform, and develop a customer-driven and WaTech led strategy for citizen identity and authentication services.
Certification Authority	Improve	Certification Authority services typically have common requirements across customers that can be satisfied through shared Private Key Infrastructure (PKI). WaTech should finish moving certificate requests to self-service function for customers and evaluate opportunities to incorporate certificates into the Mobile Device Management processes. WaTech should also move costs into its own cost center for better transparency.
Security Ed/Awareness Training	Contain	Security education and training are strategically aligned to the State's priorities, though OCS is one provider among many. OCS should continue to focus on delivering third party services that provide maximum value to the agencies and continue to survey customers to validate fit of current training portfolio to customer needs and tailor as appropriate.

Service-by-Service Recommendation Summaries Workspace (1 of 2)



Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Wireless (WiFi)	Expand	Service offers key functionality for roaming users that is valuable (standardized platform) and generally well perceived by customers. WaTech should develop a marketing program to expand the service, and establish a technology refresh strategy to make sure they are deploying the appropriate generation of access points and budgeting for regular lifecycle refresh.
WebEx Video Conferencing	Expand	This is a brokered service with additional value-added services offered by WaTech (account creation/management, vendor management). WaTech has been able to charge a premium for this service, resulting in an annual surplus but as this service expands to a larger user base, thus offering economies of scale, WaTech should explore ways to pass cost reductions to customers via reduced rates. As a first step WaTech should break out costs of WebEx and Teleconferencing services separately to better understand viability of each service. Additionally, WaTech offers multiple competing collaboration and communications services and needs to define a go-to-market strategy for each of its offerings in the near term and in the longer term as a part of a more comprehensive Unified Communications and Collaboration (UCC) strategy.
Teleconferencing	Improve	WaTech has been able to charge a premium for this service, resulting in an annual surplus, WaTech should explore ways to pass cost reductions to customers via reduced rates (e.g., Rollout self-scheduling and call management capabilities). As a first step WaTech should break out costs of WebEx and Teleconferencing services separately to better understand viability of each service. Additionally, WaTech offers multiple competing collaboration and communications services and needs to define a go-to-market strategy for each of its offerings in the near term and in the longer term as a part of a more comprehensive Unified Communications and Collaboration (UCC) strategy.
Mobile Device Mgmt	Improve	Security of mobile devices is a key strategic consideration for the state in protecting mobile data. Establishing a common shared MDM solution across all agencies helps to reduce inefficiencies and protects data. However, the current service is not meeting customer requirements. WaTech needs to develop a customer driven, WaTech led and centrally funded Mobile Device management strategy, including involvement from OCS for security policy considerations.

Service-by-Service Recommendation Summaries

Workspace (2 of 2)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Desktop/LAN	Improve	<p>The Revised Code of Washington explicitly defines WaTech’s mission as encompassing responsibility of desktop services but WaTech has not been able to successfully drive sufficient standardization and automation to gain efficiencies and drive service adoption. WaTech only supports a handful of small agencies with about 50% of supported desktops within two large agencies (OFM or DES) and most of the rest internal within WaTech. The service stability is at risk if either large customer decides to move away from WaTech’s service. WaTech needs to develop a customer driven, WaTech led strategy for modernizing the service and minimizing costs going forward (e.g., automation, virtualization, remote support, etc.) and maturing processes (e.g., performance management).</p>
Directory Assistance (citizens)	Contain	<p>The directory assistance service is an important statewide service that connects citizens to state resources. However, it is delivered at a high cost (\$12 per call) and WaTech should explore ways to contain or even reduce costs.</p>
Office 365 Activation, Skype, Shared Email, and Enterprise SharePoint	Discontinue	<p>WaTech collaboration services are currently centered around hosting as much of the administrative responsibilities have been pushed to the agencies. In line with industry direction to move to cloud-based collaboration tools, WaTech is currently pursuing an effectively unfunded migration to Office 365 with a selected architecture that is a major point of customer contention. WaTech needs to establish a customer driven, WaTech led and centrally funded Office 365 migration project, consolidate Office 365 related WaTech subgroups under focused common leadership, and define a longer term comprehensive UCC strategy, including Audio/Web conferencing, telephony and collaboration services. WaTech has a key role to play in migration to O365 but its future service provider role will be limited as the hosted services are retired. WaTech should prioritize the development of replacement/upgrade strategy for vault storage to avoid functional degradation after the move to O365. Successful discontinuance of legacy solutions will be dependent on dedicating investment dollars on focused customer migration teams. Following through on architecture assessment to validate the ability to support a multi-tenant architecture will help reestablish customer confidence in WaTech.</p>

Service-by-Service Recommendation Summaries Platform (1 of 3)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
State Data Center (SDC) Colocation/ Quincy Data Center (QDC) Colocation	Expand	Due to heavy prior investment (and no ability to divest), the state is bound to subsidizing delivery in order to incentivize agency behavior that maximizes the value in state investment. Although the service is priced competitively, agency adoption is too low to enable operational cost recovery at current price point (building debt service is recovered through a separate allocation). WaTech should expand marketing of service and aggressively follow up on waivers to ensure maximum use of facility. WaTech should also explore other action(s) to enable recoverability (e.g., small price increase, adjusted rate model with cabling as a separate Fee For Service offering, additional state subsidy).
Private Cloud	Improve	WaTech recently implemented a new Private Cloud offering intended to replace legacy compute services. Performance and reliability issues early in the rollout stalled adoption, and ongoing support of other environments limits staff/resources. WaTech should invest in expanded features/ more robust private cloud offering, and discontinue point solutions (Data Mgmt, Platform & Connectivity, Managed Server, Storage, Backup) as individual services – i.e., reconsider service as an expanded offering more in line with industry. However, given positioning as an optional service, and late market introduction, WaTech may not be able to drive the kind of volume needed to prove the solution is cheaper/better than agency solutions, and may struggle to achieve significant agency adoption. A critical success factor will be to avoid overinvestment in new feature rollouts, and keeping close coordination with customers to ensure any investments are in line with expressed needs. Successful discontinuance of legacy solutions will be dependent on dedicating staff/funding to focused customer migration teams, and in purchasing additional capacity in the Private Cloud in advance of when major workloads are slated to migrate. Once legacy services are discontinued, a combined and streamlined multi-disciplinary team should be able to manage the equivalent workload that was previously managed by three teams.
Waserv/ Email Vault	Improve	Based on Gartner’s understanding there is a strong business case for email archival to be delivered centrally across all agencies. WaTech should conduct a gap analysis between the functionality that vault provides versus what’s available either from Microsoft directly as a part of the cloud-based subscription or some other cloud toolset. WaTech needs to define the architecture for O365 and develop a strategy for modernization of email archival.

Service-by-Service Recommendation Summaries Platform (2 of 3)

The image shows a grid of service categories. The categories are: IT Programs, Applications, Security & Identity, Workspaces, and Server & Telemetry. The 'Private Cloud' category is highlighted with a green border. The 'Private Cloud' category includes: Private Cloud, Private Cloud Host, Private Cloud Support, Private Cloud Migration, Private Cloud Security, Private Cloud Compliance, Private Cloud Performance, Private Cloud Reliability, Private Cloud Availability, Private Cloud Scalability, Private Cloud Flexibility, Private Cloud Innovation, Private Cloud Sustainability, Private Cloud Resilience, Private Cloud Agility, Private Cloud Simplicity, Private Cloud Transparency, Private Cloud Accountability, Private Cloud Responsibility, Private Cloud Inclusivity, Private Cloud Diversity, Private Cloud Equity, Private Cloud Accessibility, Private Cloud Usability, Private Cloud Interoperability, Private Cloud Portability, Private Cloud Scalability, Private Cloud Flexibility, Private Cloud Reliability, Private Cloud Availability, Private Cloud Simplicity, Private Cloud Transparency, Private Cloud Accountability, Private Cloud Responsibility, Private Cloud Inclusivity, Private Cloud Diversity, Private Cloud Equity, Private Cloud Accessibility, Private Cloud Usability, Private Cloud Interoperability, Private Cloud Portability.

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Mainframe	Contain	Customers are wary of the implications of being one of the last mainframe users. They have plans to migrate off the platform, though many of these plans are not well-defined or funded. WaTech should develop a Statewide Mainframe migration strategy/roadmap which includes buy-in and commitment from mainframe stakeholders (WaTech, One Washington, WaTech Mainframe customer agencies) and agencies that operate their own mainframes. Develop a sourcing strategy that will provide best value to the state (leverage the RFP process to identify most effective way for containing mainframe costs as agencies exit the service).
Managed Server Hosting (Legacy)	Discontinue	WaTech should improve the Private Cloud offering and form a focused workload migration planning and execution team to create painless, value-added migration path and migrate existing workloads to Private Cloud at no incremental cost to current customers.
Platform & Connectivity	Discontinue	WaTech should improve the Private Cloud offering and form a focused workload migration planning and execution team to create painless, value-added migration path and migrate existing workloads to Private Cloud at no incremental cost to current customers. Address additional migration issues around SharePoint, file sharing and Core LAN infrastructure.
DB Management Services	Discontinue	Database administration services are a mainstream offering that is typically offered as a part of cloud service, WaTech should reconfigure service to be a value-added feature of the private cloud service, and should align staff, tools and technologies under common leadership with Private Cloud.
Server Support Services	Discontinue	Server support services is a mainstream offering that is typically offered as a part of a cloud service. WaTech should realign this service as a value-added (patch-management, monitoring, and troubleshooting) service sold on top of an improved Private Cloud service. Align staff, tools and technologies under common leadership with Private Cloud.

Service-by-Service Recommendation Summaries Platform (3 of 3)

IT Programs	Applications	Security & Identity	Workspaces	Network & Telemetry
<ul style="list-style-type: none"> • Desktop Governance • Open Data 	<ul style="list-style-type: none"> • Web Platform Design 	<ul style="list-style-type: none"> • Active Directory/AD • Secure FTP 	<ul style="list-style-type: none"> • VMware vCloud • Content Management • VMware vSphere 	<ul style="list-style-type: none"> • SD-WAN/SD-WAN • Network - Core • Support Firewall
<ul style="list-style-type: none"> • COOP Policy & EA • COOP Oversight • TSM Program • Unmanaged Print & Image (Unmanaged) 	<ul style="list-style-type: none"> • EDR - Incident • EDR - Budget • EDR - Self-Defense • EDR - Reporting 	<ul style="list-style-type: none"> • Security Awareness in Gov • Security Design Review • CIRT Assessments • SOC/SecOps Processes • Vulnerability Assessment • SDRS (LMS) • Security Gateway/IPS • Certificate Authority • SANS/ISAP 	<ul style="list-style-type: none"> • Microsoft Exchange • Microsoft Office 365 • Microsoft Teams • Microsoft SharePoint 	<ul style="list-style-type: none"> • Private Cloud • VMware vCloud • VMware vSphere
<ul style="list-style-type: none"> • Government App Support (GPA Enterprise) • G-Store 	<ul style="list-style-type: none"> • VMware (Enterprise Dev) • VMware vCloud • VMware vSphere • VMware vSAN • VMware vCenter • VMware vRealize • VMware vRealize • VMware vRealize • VMware vRealize 	<ul style="list-style-type: none"> • Security Operations/SecOps • Security Operations/SecOps • Security Operations/SecOps 	<ul style="list-style-type: none"> • VMware vCloud • VMware vSphere • VMware vCenter • VMware vSAN • VMware vRealize • VMware vRealize • VMware vRealize • VMware vRealize 	<ul style="list-style-type: none"> • VMware vCloud • VMware vSphere • VMware vCenter • VMware vSAN • VMware vRealize • VMware vRealize • VMware vRealize • VMware vRealize
<ul style="list-style-type: none"> • Video Production • Content 	<ul style="list-style-type: none"> • VMware vCloud • VMware vSphere • VMware vCenter • VMware vSAN • VMware vRealize • VMware vRealize • VMware vRealize • VMware vRealize 	<ul style="list-style-type: none"> • Security Operations/SecOps • Security Operations/SecOps • Security Operations/SecOps 	<ul style="list-style-type: none"> • VMware vCloud • VMware vSphere • VMware vCenter • VMware vSAN • VMware vRealize • VMware vRealize • VMware vRealize • VMware vRealize 	<ul style="list-style-type: none"> • VMware vCloud • VMware vSphere • VMware vCenter • VMware vSAN • VMware vRealize • VMware vRealize • VMware vRealize • VMware vRealize

Service/Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Storage	Discontinue	WaTech should form a focused customer migration team. Develop a customer driven, WaTech-led migration plan for eliminating mainframe and distributed customer usage by mid-FY19. Identify, architect and price viable alternatives for customers to consider (e.g., Private Cloud, Public Cloud, agency solutions, etc.)
Backup	Discontinue	Evaluate best approach for re-architecting service as a feature of the Private Cloud service rather than a separate service that's independently tracked and managed. WaTech needs to modernize the capability, add self-service restoral capabilities and align to the requirements of other services.

Service-by-Service Recommendation Summaries

Network & Telephony (1 of 3)

IT Programs	Applications	Security & Identity	Workspaces	Network
<ul style="list-style-type: none"> • Desktop Governance • Open Data • COOP Policy & EA • COOP Oversight • TSM Program • Managed Print & Imaging 	<ul style="list-style-type: none"> • Web Platform Design • ESG - Project • ESG - Budget • ESG - Self Payroll • ESG - Expenses Reporting • Governance App Request (CPA Enterprise) • E-File • HRMS (Enterprise Dev) • HR & Accessibility • Vendor Self • Access Management • JREDC • Project Management • High Business Analysis 	<ul style="list-style-type: none"> • Active Directory/AD • Secure FTP • Security Awareness in Gov • Security Design Review • CIRT Assessments • SOC/Incident Response • Vulnerability Assessment • SSL/LMPS • Security Gateway/IPS • Certificate Authority • SANS/ISAP • Security Operations/Incident Tracking 	<ul style="list-style-type: none"> • SSO/SSO Consoles • Teamwork/Work • Private Cloud • VMware vReal • Office 365 Activation • Office 365 Migration • Office 365 Support • Storage • Network 	<ul style="list-style-type: none"> • Network - Core • Transport/Firewall • Network - Cloud • Transport/Firewall • SSL VPN Remote Access • Cloud and Office VPN • Network - Core • Transport/Firewall • Network - Cloud • Transport/Firewall • SSL VPN Remote Access • Cloud and Office VPN

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Network – Core/ Transport/ Firewall	Expand	WAN services (particularly the SMON, campus fiber network, and the data center LAN) must be delivered as a shared service. It does not make sense strategically to take any other approach. However, agencies expressed some frustrations, particularly around inflexibility of the new allocation, circuit procurement timelines, reliability of remote office network connectivity and communication/customer service. WaTech should assess customer requirements (e.g., enabling greater flexibility in adding removing office locations, better reliability at remote locations, etc.), develop a customer driven strategy and long-term investment plan/ product features roadmap. Assess needed adjustments to chargeback approach that enables agencies to execute business at best value for the state (e.g., move to a simplified FFS model, or if remaining with allocation, move to an all inclusive model that enables more agile site reduction, work with agencies to add networking considerations early in site evaluation processes to ensure agencies pick locations compatible with best value to state). Establish a plan for periodic benchmark to ensure costs remain appropriate over time (particularly critical if remaining with allocation approach for chargeback).
Cloud and Office VPN	Improve	The service is an important shared service given WaTech’s responsibility for network security. WaTech should assess customer requirements for future use of service and conduct a gap analysis to ensure architecture will meet needs. WaTech should plan to better integrate cloud and office VPN services into broader set of network services. As the cloud highway is implemented identify ideal use cases for how this offering fits in the portfolio and develop customer communication materials that educates them on best ways to leverage the available offerings.
Secure Sockets Layer Virtual Private Network (SSL VPN Remote Access)	Improve	SSL VPN is commonly provided as a shared service by state shared services organizations and WaTech is able to deliver it at pricing that is in line with peers. WaTech should complete configuration of Disaster Recovery capability (critical priority given important of remote access service during a disaster situation). Document processes and define metrics for reporting (e.g., comparative availability of soft and hard tokens, and certificates underpinning the SSL VPN service). Develop a strategy for encouraging greater and more rapid adoption of soft tokens (e.g., potentially passing back some additional savings to the customer to encourage further adoption).

Service-by-Service Recommendation Summaries

Network & Telephony (2 of 3)

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Domain Name System (DNS)/ Dynamic Host Control Protocol (DHCP)	Improve	WaTech leverages a key agreement with another state along with a shared set of appliances to deliver what is typically provided as a leveraged shared service. WaTech should develop a long-term cost model that incorporates potential improvements, like self-service and automation, and update cost tracking and chargeback in order to drive better transparency and ensure appropriate availability of staffing and funding.
Private Branch Exchange (PBX)/ Interactive Voice Response (IVR)/ Voice over Internet Protocol (VoIP)	Improve	A statewide strategy is needed to avoid spending millions in redundant technology as agencies implement their own solutions. WaTech should partner with key customers to conduct an architectural assessment, develop a statewide IP Telephony Transformation strategy and obtain buy-in and funding from state leadership, establish a customer-driven strategy for moving forward with VoIP implementation. The comprehensive statewide plan should clearly delineate responsibility for obtaining funding. WaTech should simplify the rate model and get down to a per phone per month charge (possibly metro versus non-metro rates).
Switched Long Distance	Contain	Customers view the service as expensive due to 100% long distance markup over carrier rates, as customers move off other telephony services they have stated an intention to move away from Long Distance as well. WaTech should assess ROI of pin code and billing management, and evaluate opportunities to reduce delivery costs, including impact of elimination of pin code and billing management on pricing.
Centrex	Discontinue	As the line counts are reduced, the cost per line will increase, and it will be difficult for WaTech to continue delivering this service. WaTech should discontinue this service by transitioning vendor and provisioning management responsibilities to the agencies or encourage agencies to use more modern telephony services (e.g., VoIP/PBX) where feasible. WaTech should ensure that DES negotiates a master agreement that is available to agencies for direct purchase. WaTech should either develop a smooth transition process or continue raising the price and offer the alternative to transition the contract to the agencies, rather than, or in addition to, establishing a service cutoff date. Agencies will lose some self-service features as WaTech supports a CentryLink tool that is managed on behalf of agencies.

Service-by-Service Recommendation Summaries

Network & Telephony (3 of 3)

IT Programs	Applications	Security & Identity	Workspaces	Network	Telephony & Collaboration
<ul style="list-style-type: none"> IT Program Governance Open Data 	<ul style="list-style-type: none"> Web Platform Design 	<ul style="list-style-type: none"> Active Directory/AD Secure FTP 	<ul style="list-style-type: none"> VMEX Video Conferencing VMware VAMI 	<ul style="list-style-type: none"> SD-WAN/SD-WAN 	<ul style="list-style-type: none"> Network - Core Transport Firewall
<ul style="list-style-type: none"> COOP Policy & EA COOP Oversight TIM Program Managed Print & Imaging (MIP) 	<ul style="list-style-type: none"> ESB - Finance ESB - Budget ESB - HR/Payroll ESB - Insurance Reporting 	<ul style="list-style-type: none"> Security Awareness in Gov Security Design Review GDPR Assessments SCRM/Service Resilience University Assessment SSDI LMS Security Gateway/PS Cardholder Address SAW/SAEP 	<ul style="list-style-type: none"> Transference/Relocation Mobile Device Mgmt Outlook/LAN 	<ul style="list-style-type: none"> Private Cloud Managed Email Host 	<ul style="list-style-type: none"> Network - Core Transport Firewall Network - Core Transport Firewall SSL VPN (Remote Access) Cloud and Office VPN
<ul style="list-style-type: none"> Government App Support (GPA Enterprise) IT Store 	<ul style="list-style-type: none"> IPsec (Enterprise Dev) UX & Accessibility Identity Mgt Access Management PRISM Project Management Agile Business Analysis 	<ul style="list-style-type: none"> Security Operations/Service Tracking 	<ul style="list-style-type: none"> Security Assessment (SaaS) 	<ul style="list-style-type: none"> Mobile 	<ul style="list-style-type: none"> Network - Core Transport Firewall Network - Core Transport Firewall SSL VPN (Remote Access) Cloud and Office VPN
<ul style="list-style-type: none"> Video Production Services Content 			<ul style="list-style-type: none"> Office 365 Activation ESB Project Deal Enterprise SharePoint 	<ul style="list-style-type: none"> Mobile (Legacy) Mobile & Content Mgmt IT Management Server Support Services Storage Hardware 	<ul style="list-style-type: none"> Network - Core Transport Firewall Network - Core Transport Firewall SSL VPN (Remote Access) Cloud and Office VPN

Service/ Program	Continue to Offer? (Rating)	Rationale for Continued Delivery and Recommended Enhancements OR Service Delivery Alternatives and Transition Considerations
Citrix Edge	Discontinue	The last Citrix Subject Matter Expert left WaTech in May 2014, the service is provided on infrastructure that's due for a refresh, there is no disaster recovery solution and WaTech does not track or report on performance. While this service is commonly provided as a shared service by state shared services organizations, WaTech has already announced an end of service date and all but four customers have migrated off. WaTech should collaborate with remaining customers to define a migration plan to meets their requirements and while minimizing risk associated with ending the service offering. WaTech reports that the SSL VPN service is sufficient to meet customer's remote access requirements, and those that require Citrix Edge will need to self-support or contract for third party support after WaTech discontinues its service offering.

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